II. REMARKS

Claims 1-16 are rejected under 35 U.S.C. 102(e) as being anticipated by Dominguez.

Claim 1 recites "selection means connected to receive a control message signal from the second party said signal including a plurality of selectable security protocols and in response thereto to select one of the plurality of security protocols". The Examiner has indicated that this feature is disclosed in paragraphs [0069], [0070}, [0076] and [0082] of Dominguez.

Paragraph [0070] states that the system can "support a variety of payment interfaces between the merchant and the acquirer". However there is no mention of a selection means receiving a signal including a plurality of selectable protocols as recited in claim 1. Furthermore, there is also no mention of selecting a payment protocol as recited in claim 1. In paragraph [0076] Dominguez mentions that the system "checks to see if the cardholder client device has distributed authentication capability". However, the applicant respectfully asserts that merely assessing whether a capability is present or not is clearly distinct from selecting from a plurality of security protocols. Similarly, paragraphs [0069] and [0082] fail to disclose the above-discussed features. Therefore, as there is no mention in Dominguez of either a "selection means" or a "control message including a plurality of selectable security protocols" the applicant submits that claim 1 of the present application is clearly <u>not</u> anticipated by Dominguez.

Independent claim 14 recites the feature of "selection means for selecting one of a plurality of security protocols and being connected to communicate said selection to said second party". The Examiner has cited the same passages of Dominguez against this feature as mentioned above for claim 1, and this claim distinguishes over Dominguez for the same reasons as previously mentioned. Independent claim 15 recites "selection means for selecting a SET security protocol and being connected to communicate said selection to said second party" and independent claim 16 recites "selection means for selecting a EMV security protocol and being connected to communicate said selection to said second party". As previously stated, Dominguez does not mention any selection means for selecting a security protocol, and therefore independent claims 15 and 16 also distinguish over Dominguez.

It is further noted that a certified copy of the U.K. priority application was filed and a claim for its priority date of August 15, 2000 was made. This date is prior to the Dominguez parent filing date of April 24, 2001.

Hence, the rejection of claims 1-16 under 35 U.S.C. 102 on Dominguez should be withdrawn.

Claims 1-2, 5, 8-10, 11 and 13 are rejected under 35 U.S.C. 102(e) as being anticipated by Williams.

It is clearly stated in column 16, lines 52-56, of Williams that "once the consumer authorizes the payment, the payment protocol is decided by PayWindow based on the merchant's Payment Protocol Preferences and the consumer selected

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payment instrument". It is therefore clear that Williams does not disclose "selection means connected to receive a control message signal from the second party said signal including a plurality of selectable security protocols and in response thereto to select one of the plurality of security protocols" as recited in claim 1. Rather, the system in Williams merely chooses a payment protocol based upon preferences and the type of payment instrument (credit cards, debit cards etc.). The applicant therefore submits that claim 1 is not anticipated by Williams.

Thus the rejection of claims 1-2, 5, 8-10, 11 and 13 under 35 U.S.C. 102 on Williams should be withdrawn.

It is also submitted that since none of the above discussed features are suggested by Dominguez or Williams, all claims are unobvious over either or both of them.

For all of the foregoing reasons, it is respectfully submitted that all of the claims now present in the application are clearly novel and patentable over the prior art of record, and are in proper form for allowance. Accordingly, favorable reconsideration and allowance is respectfully requested. Should any unresolved issues remain, the Examiner is invited to call Applicants' attorney at the telephone number indicated below.

The Commissioner is hereby authorized to charge payment for any fees associated with this communication or credit any over payment to Deposit Account No. 16-1350.

Respectfully submitted,

Henry I. Steckler   _27 Feb, 2006_

Henry I. Steckler   Date

Reg. No. 24,139

Perman & Green, LLP
425 Post Road
Fairfield, CT   06824
(203) 259-1800
Customer No.: 2512

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